



## AMC Networks

*Capturing new viewers, predicting ratings and adding value for advertisers in a multi-channel world*

---

### Overview

#### The need

Cable TV networks may currently be enjoying a “golden age”, but the industry is evolving fast. AMC Networks’ future success depends on truly understanding customer behavior in a multi-channel world.

#### The solution

AMC Networks is using IBM analytical tools to uncover new insights into audience preferences and viewing patterns, helping to make smarter scheduling and data-driven marketing decisions.

#### The benefit

Analyzing big data in seconds unlocks never-before-seen capabilities, helping to win new viewers and advertisers.

---

Over the past ten years, the cable television sector in the U.S. has enjoyed a period of growth that has enabled unprecedented creativity in the creation of high-quality content. AMC Networks has been at the forefront of this new golden age of television, producing a string of successful, critically acclaimed shows such as Breaking Bad, Mad Men and The Walking Dead.

### Getting ahead of the game

Despite its success, the company has no plans to rest on its laurels. As Vitaly Tsvin, SVP Business Intelligence, explains: “We have no interest in standing still. Although a large percentage of our business is still linear cable TV, we need to appeal to a new generation of millennials who consume content in very different ways.

“TV has evolved into a multi-channel, multi-stream business, and cable networks need to get smarter about how they market to and connect with audiences across all of those streams. Relying on traditional ratings data and third-party analytics providers is going to be a losing strategy: you need to take ownership of your data, and use it to get a richer picture of who your viewers are, what they want, and how you can keep their attention in an increasingly crowded entertainment marketplace.”

---

*“Analysis that used to take weeks now generates results in seconds – and because TV changes from day to day, rapid decision-making is vital. In one case, a single day of analysis enabled us to design a campaign that increased the consumption of our video on demand service. That’s the power of IBM analytics,” says Vitaly Tsvin, SVP Business Intelligence, AMC Networks.*

---



## Solution components

### Software

- IBM® PureData® System for Analytics
- IBM Cognos® Business Intelligence
- IBM SPSS® Modeler
- IBM InfoSphere® Master Data Management
- IBM InfoSphere DataStage®

## Zoning in on the viewer

The challenge is that there is just so much information available – hundreds of billions of rows of data from industry data providers such as Nielsen and comScore, from channels such as AMC’s TV Everywhere live web streaming and video on demand service, from retail partners such as iTunes and Amazon, and from third-party online video services such as Netflix and Hulu.

“We can’t rely on high-level summaries; we need to be able to analyze both structured and unstructured data, minute-by-minute and viewer-by-viewer,” says Vitaly Tsivin. “We need to know who’s watching and why – and we need to know it quickly so that we can decide, for example, whether to run an ad or a promo in a particular slot during tomorrow night’s episode of Mad Men.”

AMC decided it needed to develop an industry-leading analytics capability in-house – and focused on delivering this capability as quickly as possible. Instead of conducting a prolonged and expensive vendor and product selection process, AMC decided to leverage its existing relationship with IBM as its trusted strategic technology partner. The time and money traditionally spent on procurement were instead invested in realizing the solution – accelerating AMC’s progress on its analytics roadmap by at least six months.



Figure 1: A web-based IBM Cognos dashboard used by AMC Networks

Source: AMC Networks

---

*“You need to take ownership of your data, and use it to get a richer picture of who your viewers are, what they want, and how you can keep their attention in an increasingly crowded entertainment marketplace.”*

— Vitaly Tsivin, SVP Business Intelligence,  
AMC Networks

---

### **Empowering the research department**

In the past, AMC’s research team spent a large portion of its time processing data. Today, thanks to its new analytics tools, it is able to focus most of its energy on gaining actionable insights.

“By investing in big data analytics technology from IBM, we’ve been able to increase the pace and detail of our research an order of magnitude,” says Vitaly Tsivin. “Analyses that used to take days and weeks are now possible in minutes, or even seconds.

“Bringing analytics in-house will provide major ongoing cost-savings. Instead of paying hundreds of thousands of dollars to external vendors when we need some analysis done, we can do it ourselves – more quickly, more accurately, and much more cost-effectively. We’re expecting to see a rapid return on investment.

“As more sources of potential insight become available and analytics becomes more strategic to the business, an in-house approach is really the only viable way forward for any network that truly wants to gain competitive advantage from its data.”

### **Driving decisions with data**

Many of the results delivered by this new analytics capability demonstrate a real transformation in the way AMC operates. For example, the company’s business intelligence department has been able to create sophisticated statistical models that help the company refine its marketing strategies and make smarter decisions about how intensively it should promote each show.

---

## **Smarter Entertainment**

---



### **Instrumented**

AMC combines ratings data with viewer information from a wide range of digital channels: its own video on demand and live streaming services, retailers and online TV services.



### **Interconnected**

A powerful and comprehensive big data and analytics engine centralizes the data and makes it available to a range of descriptive and predictive analytics tools for accelerated modeling, reporting and analysis.



### **Intelligent**

AMC can predict which shows will be successful, how it should schedule them, what promos it should create, and to whom it should market them – helping to win new audience share in an increasingly competitive market.

With deeper insight into viewership, AMC's direct marketing campaigns are also much more successful. In one recent example, intelligent segmentation and lookalike modeling helped the company target new and existing viewers so effectively that AMC video on demand transactions were higher than would be expected otherwise.

This new-found ability to reach out to new viewers based on their individual needs and preferences is not just valuable for AMC – it also has huge potential value for the company's advertising partners. AMC is currently working on providing access to its rich data-sets and analytics tools as a service for advertisers, helping them fine-tune their campaigns to appeal to ever-larger audiences across both linear and digital channels.

Vitaly Tsivin concludes: "Now that we can really harness the value of big data, we can build a much more attractive proposition for both consumers and advertisers – creating even better content, marketing it more effectively, and helping it reach a wider audience by taking full advantage of our multi-channel capabilities."

## About AMC Networks

Dedicated to producing quality programming and movie content for more than 30 years, AMC Networks Inc. (NASDAQ: AMCX) owns and operates several of the most popular and award-winning brands in cable television, producing and delivering distinctive, compelling and culturally relevant content that engages audiences across multiple platforms.

More information is available at: [www.amcnetworks.com](http://www.amcnetworks.com)

## About IBM Analytics

IBM Analytics offers one of the world's deepest and broadest analytics platform, domain and industry solutions that deliver new value to businesses, governments and individuals. For more information about how IBM Analytics helps to transform industries and professions with data, visit [ibm.com/analytics](http://ibm.com/analytics). Follow us on Twitter at @IBMAalytics, on our blog at [ibmbigdatahub.com](http://ibmbigdatahub.com) and join the conversation #IBMAalytics.



---

© Copyright IBM Corporation 2015

IBM Corporation  
New Orchard Road  
Armonk, NY 10504

Produced in the United States of America  
May 2015

IBM, the IBM logo, ibm.com, Cognos, DataStage, InfoSphere, PureData, and SPSS are trademarks of International Business Machines Corp., registered in many jurisdictions worldwide. Other product and service names might be trademarks of IBM or other companies. A current list of IBM trademarks is available on the web at "Copyright and trademark information" at [www.ibm.com/legal/copytrade.shtml](http://www.ibm.com/legal/copytrade.shtml).

This document is current as of the initial date of publication and may be changed by IBM at any time. Not all offerings are available in every country in which IBM operates.

The performance data and client examples cited are presented for illustrative purposes only. Actual performance results may vary depending on specific configurations and operating conditions. It is the user's responsibility to evaluate and verify the operation of any other products or programs with IBM products and programs. THE INFORMATION IN THIS DOCUMENT IS PROVIDED "AS IS" WITHOUT ANY WARRANTY, EXPRESS OR IMPLIED, INCLUDING WITHOUT ANY WARRANTIES OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE AND ANY WARRANTY OR CONDITION OF NON-INFRINGEMENT. IBM products are warranted according to the terms and conditions of the agreements under which they are provided.

Actual available storage capacity may be reported for both uncompressed and compressed data and will vary and may be less than stated.



Please Recycle

---